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SUBJECT: AMBASSADOR JEWELL MEETS ECUADOR,S NEW TRANSPORT
MINISTER

¶1. (SBU) Summary: On March 13, the Ambassador paid an introductory call on Trajano Andrade, Minister of Transportation. Andrade explained the GOE's strategic vision for the ministry, stressing that ground transport and port management are priorities. He said the Ministry wanted to fight corruption and to serve as a positive, impartial force that would rebuild the country's transport infrastructure. Notably, he added that he believed that the private sector should be an ally of the government, in contrast to "the situation in Venezuela." End summary.

¶2. (SBU) On March 13, the Ambassador met with Minister of Transport Trajano Andrade. Andrade explained that with the formation of the new administration, the Ministry of Transport had been divided into four under secretariats: ground transport (including public transit and the railroad system), maritime transport and port management, air transport, and public works (a type of policy under secretariat that will guide the tasks of the other three).

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Each of these would contribute to a single national transport plan, which would be set forth in a national transportation law. The GOE has asked the embassies of Chile and Spain for technical assistance to help develop this transport plan.

¶3. (SBU) A top priority for the national transport plan is the highway system. Andrade said that Ecuador's highways were destroyed, and described corruption in the construction sector as untenable. He noted the MOT's plans to lower costs by contracting with the Ecuadorian Army Corps of Engineers, and by using existing equipment rather than buying new. Likewise, instead of building new highways, the Ministry plans to repair existing roads and finish ongoing projects. He added that the Ministry is seeking ways to work with contractors to fight corruption.

¶4. (SBU) When the Ambassador mentioned U.S. support for the construction of bridges and roads in the northern border area in the context of our alternative development efforts, Andrade commented that fighting narco-trafficking is important to the GOE. He said that the MOT is presenting to President Correa alternative plans on how to continue counter-narcotics cooperation when the Manta FOL agreement expires in 2009. Noting his experience as the former director of the Manta port, he said that managing the situation would be very important since Manta port activity has multiplied twenty times in the last two years.

¶5. (SBU) Andrade confirmed that plans to develop the

"Manta-to-Manaus" intermodal transport link were still underway. The GOE is pursuing international cooperation on the project, and Andrade estimated that in 15 years it would provide Ecuador access to the Atlantic and Brazil access to the Pacific.

¶16. (U) When the Ambassador mentioned a recent FAA visit to Quito, Andrade said briefly that the GOE was happy with our joint efforts to improve airport security and that continued U.S. assistance was most welcome.

¶17. (SBU) Finally, Andrade commented that the private sector should be an ally of the government, in contrast to "the situation in Venezuela" and that he did not think that Correa wanted things to be otherwise.

¶18. (SBU) Comment: Andrade came across as a new minister determined to show that his ministry is committed to changing the status quo. As the highest-ranking Correa administration official hailing from the key coastal province of Manabi, Andrade has political weight beyond his portfolio. National highways and the Manta port will clearly be his priorities, possibly leaving aviation to be managed at the under secretary level. Andrade's efforts to differentiate Ecuador

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from Venezuela echoed comments from Mauricio Davalos, Minister for Coordination of Production and Economic Policy in a meeting with the Ambassador earlier the same day. His comment about cooperation to replace FOL flights post-agreement seems to reflect a typically murky understanding of the FOL presence; we suspect Andrade is hinting at U.S. support for Manta's airport and seaport. We will try to convince him that renewal of the FOL is the best means to garner on-going USG support for Manta's airport and transportation infrastructure. End comment.

JEWELL